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**IOWA UTILITIES BOARD**  
**Policy Development Section**

Docket No.: EEP-2013-0001  
Utility: Black Hills Energy  
File Date/Due Date: 03/11/13  
Memo Date: 03/14/13

**TO:** The Board

**FROM:** Brenda Biddle, Gordon Dunn

**SUBJECT:** Approval of Energy Efficiency Plan Customer Notice

**I. Background**

On March 11, 2012, Black Hills Energy (Black Hills) filed with the Utilities Board (Board) a request for approval of its proposed customer notice for Black Hill's new energy efficiency plan, which will be identified as Docket No. EEP-2013-0001. On March 14, 2013, Black Hills filed a revised customer notice which clarified customer impacts. No objections or other responses to the proposed notice were filed.

**II. Legal Standards**

**199—35.4(476) Schedule of filings.**

**35.4(4)** Written notice of assessment of potential and energy efficiency plan. No more than 62 days prior to and prior to filing its assessment of potential and energy efficiency plan, a utility shall mail or deliver a written notice of its filing to all affected customers. The notice shall be submitted to the board for approval not less than 30 days prior to proposed notification of customers. The notice shall, at a minimum, include the following elements:

- a. A statement that the utility will be filing an assessment of potential and energy efficiency plan with the board;
- b. A brief identification of the proposed energy efficiency programs and the estimated annual cost of the proposed energy efficiency programs during the five-year budget time frame;
- c. The estimated annual rate and bills impacts of the proposed energy efficiency programs on each class of customer; and the estimated annual jurisdictional rate impact for each major customer grouping in dollars and as a percent, with the proposed actual increases to be filed at the time of notice to customers;

- d. A statement that the board will be conducting a contested case proceeding to review the application and that a customer may file a written objection and request a consumer comment hearing; and
- e. The telephone numbers and addresses of utility personnel, the board and the consumer advocate, for the customer to contact with questions.

### **III. Analysis**

Black Hills is to file its new energy efficiency plan on or before April 1, 2013. Pursuant to 199 IAC 35.4(4), a utility shall provide written notice to its customers of its proposed energy efficiency plan filing no more than 62 days prior to the plan's filing, and shall submit the proposed notice to the Board for approval not less than 30 days prior to the proposed notification of customers.

Black Hill's customer notice gives an overview of the proposed energy efficiency programs in the 2014-2018 plan, including proposed changes to the residential and nonresidential programs. The notice also provides customers an estimate of how the proposed plan will impact the Energy Efficiency Cost Recovery Factor. Residential customers should expect a decline in the factor from \$0.0539 to \$0.0502 per therm while nonresidential customers should expect an increase from \$0.0174 to \$0.0271 per therm. Black Hills plans to send the approved notice to its customers in the form of bill inserts in its April bills, starting April 1, 2013.

In the Motion for Approval of Customer Notice, Black Hills states: "The Iowa Utilities Board ("Board") requires Black Hills Energy to file a new energy efficiency plan on or before May 1, 2013." Staff notes that the Board set the date for Black Hills to file the new energy efficiency plan as April 1, 2013<sup>1</sup>. The customer notice correctly references the filing date as April 1, 2013.

The proposed notice includes the information required by 199 IAC 35.4(4)"a" through "e," including a brief identification of the proposed energy efficiency programs, estimated annual cost of energy efficiency programs, and customer bill impact. The notice also informs customers that they may intervene in a contested case proceeding regarding Black Hills's new energy efficiency plan or provide written comments or objections to the Board.

### **IV. Recommendation**

Staff recommends the Board approve Black Hills's energy efficiency plan customer notice, as amended on March 14, 2013, by signing the attached order.

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<sup>1</sup> Order Approving Settlement and Energy Efficiency Plan, Requiring Additional Information, and Setting Filing Date, March 3, 2009, page 6.